

M E M O R A N D U M

TO: Governing Board Members

FROM: Kenneth G. Ammon, P.E., Deputy Executive Director,
Everglades Restoration Resource Area

DATE: August 5, 2009

SUBJECT: Amendment 2 to the Design Agreement between the Department of the Army and South Florida Water Management District for the Design of Elements of the Comprehensive Plan for the Everglades and South Florida Ecosystem Restoration Project – Contract Number C-11809-A02/3600000020-A02

Background: The South Florida Water Management District (District) and the U.S. Army Corps of Engineers (Corps), as the implementing agencies for the Comprehensive Everglades Restoration Plan (CERP), are establishing a 50-50 partnership for design, construction, operation and maintenance of numerous Everglades ecosystem restoration projects. On May 12, 2000, the Corps and District signed a Design Agreement that identified a cost-sharing partnership for “design” activities, including the preparation of project management plans, project implementation reports, pilot studies, monitoring, adaptive assessment, permitting, legal actions, and the preparation of engineering design documents. The Design Agreement, which did not include real estate costs or the costs associated with construction, stipulated that the design activities would be pooled across multiple projects and programmatic activities, and shared on a 50-50 basis. The Design Agreement stated that the District and Corps would monitor the District’s 50 percent credit total during three-year periods, and that the District would provide a cash payment to the Corps if the District’s proportionate share of the Design Agreement fell below 50 percent during any three year period.

In December 2000, Congress authorized the Water Resource Development Act (WRDA) of 2000 which required that the Corps and District monitor CERP implementation costs separately for the design phase and the construction-real estate phase. Although WRDA 2000 required that design and construction costs be monitored separately, it allowed the overall cost-share balance for design and construction to be managed together as the total for all projects in the CERP.

This Amendment 2 to Contract C-11809/3600000020 takes advantage of the WRDA 2000 cost-share provision and provides for the “programmatic” management of all design costs and all construction and real estate costs for CERP projects with executed Project Partnership Agreements.

The previous Amendment 1 modified Attachment “A” to the Design Agreement to add Melaleuca Eradication and Other Exotic Plants to the project list.

How this helps meet the District’s Mission: Implementation of CERP is critical to meeting all elements of the SFWMD’s mission. Execution of this Amendment 2 will simplify programmatic cost-share monitoring and management and will limit the necessity for cash payments to the Corps.

Funding Source: This is a no-cost amendment to the Design Agreement.

This Board item impacts what areas of the District, both resource areas and geography: This Board item affects the Everglades Restoration Resource Area and the Districts overall budget development. It provides simplification of the overall cost-share monitoring for CERP. Staff from the Everglades Restoration Resource Area will manage the contract.

What concerns could this Board item raise? This is a beneficial change in the Design Agreement between the District and Corps, which reduces potential year-to-year cash payments to the Corps, by allowing programmatic crediting for all District CERP design and all construction and real estate costs for projects with executed Project Partnership Agreements.

Why should the Governing Board approve this item? Approval of this Amendment 2 will simplify cost-share monitoring for CERP and reduce the potential for cash payments to the Corps.

KGA/Ig
Attachment - Resolution